



# PUBLIC NOTICE

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## NOTIFICATION OF FINAL DATE TO FILE AMENDMENTS TO COST MODELS IN UNIVERSAL SERVICE PROCEEDING FOR HIGH COST SUPPORT FOR NON-RURAL LECs CC Docket Nos. 96-45 and 97-160

In the *Universal Service Order*, the Commission stated that it would select, by August 1998, a federal mechanism to determine non-rural carriers' forward-looking cost of providing the services supported by federal universal service mechanisms.<sup>1</sup> The Commission stated that it would complete this selection process in two stages. In the first stage, the Commission would select the "platform" (fixed assumptions and algorithms) of the mechanism; in the second, the Commission would select a complete mechanism, including all inputs.<sup>2</sup> On July 8, 1997, the Commission released a *Further Notice of Proposed Rulemaking (FNPRM)* establishing a process for selecting the platform and inputs for the federal mechanism.<sup>3</sup> Pursuant to the process established in the *FNPRM*, the Common Carrier Bureau (Bureau) provided guidance to the model proponents on platform issues related to customer location and outside plant in a *Public Notice* released on November 13, 1997.<sup>4</sup> In the *Public Notice*, the Bureau requested that proponents of models in this proceeding file revised versions of their models that the Bureau expected would be considered by the Commission in selecting the platform of the federal mechanism.<sup>5</sup> On December 11, 1997, the proponents of the Benchmark Cost Proxy Model (BCPM) and the Hatfield Model (Hatfield) filed revised versions of their models in the record of this proceeding. On December 29, 1997, the developers of the Hybrid Cost Proxy Model (HCPM) made a new version of their model

<sup>1</sup> Federal State Joint Board on Universal Service, *Report & Order*, 12 FCC Rcd 8776, 8910 para. 245 (1997).

<sup>2</sup> *Universal Service Order*, 12 FCC Rcd 8910 para. 245.

<sup>3</sup> Federal-State Joint Board on Universal Service, *Further Notice of Proposed Rulemaking*, CC Docket Nos. 96-45 and 97-160, FCC 97-256 (rel. July 18, 1997).

<sup>4</sup> Guidance to Proponents of Cost Models in Universal Service Proceeding: Customer Location and Outside Plant, *Public Notice*, CC Docket Nos. 96-45 and 97-160, DA 97-2372 (rel. Nov. 13, 1997).

<sup>5</sup> *Id.* at 9.

available via the World Wide Web.<sup>6</sup>

Since December 11, 1997, however, the Commission has continued to receive revisions of the models. While the Bureau recognizes that changes to the models have resulted in valuable enhancements, a continual state of flux in the status of the models compromises the Commission's ability to select a platform for the federal mechanism in a timely fashion. Accordingly, the Bureau hereby gives notice that **February 6, 1998** shall be the deadline for filing revised versions of models in this proceeding. After that date, no changes to model logic, algorithms, or fixed assumptions shall be considered, except as specifically directed by the Bureau or the Commission.

The model proponents and other parties are encouraged to present the Bureau and the Commission with any information or views pertaining to the models in *ex parte* presentations. Such presentations may take place at any time,<sup>7</sup> but parties wishing to make such presentations are urged to do so as soon as possible.

For information regarding this Public Notice, contact Bob Loube (202/418-7379), Bryan Clopton (202/418-7381) or Charles Keller (202/418-7380).

Action by the Chief, Accounting & Audits Division, Common Carrier Bureau.

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<sup>6</sup> Common Carrier Bureau Announces Release of HCPM Version 2.0, *Public Notice*, CC Docket Nos. 96045 and 97-160, DA 97-2712 (rel. Dec. 29, 1997). HCPM was developed by individual Commission staff members and does not represent the views of the Commission or any Commissioner on the issues in this proceeding.

<sup>7</sup> Pursuant to Commission rules, *ex parte* presentations are permitted until the release of the Sunshine Notice announcing that an order in this proceeding will be voted by the Commission. 47 C.F.R. §§ 1.1202(f), 1.1203. See also generally 47 C.F.R. §§ 1.1200 *et seq.*